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Senate **AMTRAK**

Mr. CARPER. Madam President, I do not believe any of the Senators who are on the floor at this time were serving in the House or the Senate when Amtrak was created. It was created in 1970 and it was created after an extended debate which found none of the private railroads in this country wanted to continue to provide passenger rail service. They wanted out of the business and they got out. They convinced the Congress and then the President, Richard Nixon, that they should be able to buy stock in this entity called Amtrak, they should turn over a lot of their rolling stock--their locomotives and their passenger cars or dining cars, the whole Northeast corridor from Washington to Boston, repair shops, train stations--to this new entity, Amtrak, to see if they could make it go as a quasi-governmental entity whereas for years the private sector had not been able to make a go of it.

Lo and behold, 32 years later Amtrak has not been able to figure out how to make money, how to make a profit doing what the private railroads could not make a profit doing in the 1970s or 1960s or the years before that; that is, carrying people.

Last Thursday here on the floor I talked a bit about all those other countries around the world that offer terrific passenger train service, whether it is Britain or France or Spain or Italy, Scandinavia or Germany--or over the other side of the world, Asian countries such as Japan, where people can go in trains that run at 200 miles an hour and can actually write on the trains and people can read your writing--something no one is able to do with mine when I ride the rails

with Amtrak. They can put a cup of coffee on the table and the coffee is still like it would be on this table before me.

The reason why they have such good train service in those countries is because they make it a national priority. They believe it is in their national interest to have good passenger rail service.

Some of those countries are more densely populated than our own, but as time goes by we are becoming more densely populated, too. I said last week that some 75 percent of Americans today live within 50 miles of one of our coasts. As time goes by, we are going to become more densely populated. Those dense populations provide for a number of problems: congestion on our highways, congestion in our airports, the fouling of our air. As we all climb into our cars, trucks, and vans to go from one place to the other and then fill them up with gas, we import a lot of the oil we refine into gasoline and we end up with a huge trade deficit, about a third of which is attributable to imported oil.

Part of the reason so many of those other countries put so much of their money, so much of their resources into their passenger rail system is not because of nostalgia. They do not pine for the days when people rode the trains from coast to coast. They do it because it is in their naked self-interest to have good passenger rail service.

It is in our naked self-interest to have good passenger rail service as well. As a former Governor, I served on the Amtrak Board appointed by the President, confirmed by the Senate, and I served there as a member of the board of directors for 4 years.

There were a number of times during the time I served on the board--and a number of times since--that Amtrak has run short of cash. They negotiated with a consortium of private lenders and got enough money to carry them through their tough patch and when the next Federal appropriation comes through or the ridership peaks in one of the peak ridership periods for the summer or Thanksgiving or Christmas or the other holidays, they pay off the loans.

Amtrak is endeavoring to arrange a bridge loan from a consortium of private banks to carry them through to the end of this fiscal year. Their ability to negotiate that loan fell apart with the announcement of the administration's restructuring plan for Amtrak, which is not so much a restructuring plan for Amtrak but it is, frankly, the end, the demise of Amtrak as we know it.

With that having been done and the inability to negotiate with the private lending consortium, I think in large part because of the announcement of the restructuring plan for Amtrak by the administration, the administration has some responsibility to step to the plate and to provide--as they can under law; they have the discretion under the law--a loan guarantee so Amtrak can go ahead with this negotiation with the private bankers. They ought to do that.

When we get past this very difficult time and I want to tell you if Amtrak does shut down, it is not because everybody rides Amtrak but because Amtrak is very involved in commuter operations. Amtrak runs the entire Northeast corridor. Electricity is sold to the commuter trains. The commuter trains use Penn Station. Amtrak is involved in the

Midwest--we have a colleague here from Chicago--in helping run the commuter operations there, and California. It is not just the Northeast corridor. It is throughout the country. A shutdown, especially a hasty shutdown, will create havoc, not necessarily because of the people who run Amtrak trains but all the people who depend on Amtrak and maybe don't know it. They depend on Amtrak to get to work every day and to get home.

Let me close with this thought, if I could. When we get through this difficult time--and we need to, and I hope the administration steps up to the plate and says we have some responsibility and acts to discharge those responsibilities--when we get through this, that carries us to the next fiscal year. We need to determine as a country, with a healthy debate with the administration fully engaged, what we are going to do for passenger rail service in America. What will taxpayers support? What will Congress and the administration support? That debate is one in which I look forward to participating.

I think passenger rail going forward will depend, in no small part, on our willingness, and that of the administration, to find a dedicated source of capital funding. Since Amtrak's creation 32 years ago, there has never been adequate capital support for the railroad. There has never been capital support.

We all know that railroading is capital intensive. There needs to be a dedicated source of capital funding. My colleagues will hear me say that more in the months to come. In my judgment, that is the key. If we support passenger rail service, we have to provide the capital to support it.

I thank the Chair. I yield the floor.